

CORPORATE SOCIAL RESPONSIBILITY POLICY OF INTERNATIONAL PRINT-O-PAC LIMITED (IPPL)

1. Preamble

IPP recognizes that Corporate Social Responsibility is strongly connected with the principles of Sustainability, the business activities of IPP have wide impact on the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. Our company is committed towards aligning with nature; and has adopted eco-friendly practices.

2. Purpose

The purpose of our CSR Policy is to lay down guidelines and mechanisms for undertaking CSR programs in alignment with the Companies Act, 2013 and to make known to all stakeholders our approach to CSR. The Policy outlines our intentions to contribute to social development of local and national priorities. This Policy shall function as CSR Policy of the Company for the purpose of Section 135 of the Companies Act, 2013 and CSR Rules.

3. Stakeholder Engagement

The Policy applies to all relevant internal and external stakeholders of the Company for CSR. The Company may engage with the stakeholders to involve them in all stages of meeting its CSR commitments and discharging responsibilities, from policy formulation to practices. Various Stakeholders are Employees, Management and the Board, Local Community, NGOs, Government.

4. CSR

We at IPP are committed to create long-term socio-economic values for communities in the geographies where we operate. Under our CSR commitments, we will address those social issues and causes which are of local relevance and national importance by portraying deep symbiotic relationship with Schedule VII of the Companies Act 2013.

5. Main Areas

In alignment with Schedule VII of the CSR Rules, shall identify and undertake all its CSR programs/projects/activities under the following areas of CSR:

- eradicating extreme hunger and poverty;
- promotion of education;
- promoting gender equality and empowering women;
- reducing child mortality and improving maternal health;
- combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;

- ensuring environmental sustainability;
- employment enhancing vocational skills;
- social business projects;
- contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- such other matters as may be prescribed by the Act from time to time.

Further, the CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company.

The CSR activities that benefit only the employees of the Company and their families will not be considered as CSR activities. Also, contribution to any political party under section 182 of the Companies Act, 2013 will not be considered as CSR activity.

The CSR activities that benefit the related parties shall not be carried out without the approval of the Board.

Our approach will be structured in a way which will make CSR deliverables sustainable, measurable, replicable and scalable.

6. Geographies

The Company's intent is to make a positive contributions to the society in which the Company lives and operates. Therefore, for implementation of CSR activities, the Company will focus primarily in and around its office / plant locations. However, it does not limit the Company to undertake CSR projects anywhere in the country.

7. Governance

The Board of Directors shall set up a Board level CSR committee to ensure the deployment of the Policy. Towards ensuring the effective execution of the CSR commitments, the Board and the CSR Committee shall respectively assume specific roles and responsibilities as per following:

Board of Directors

- ✓ Constitute a CSR Committee of the Board of Directors;
- ✓ Approve CSR policy and the Board of Directors on its own and/or as per the recommendations of the CSR Committee can amend this policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Regulations on the subject as may be issued from the relevant statutory authorities, from time to time;
- ✓ Approve areas under CSR that the company proposes to support, annual action plan, modalities of operations;

- ✓ Ensure that activities included by the company in its Corporate Social Responsibility Policy are in accordance with the activities listed in Schedule VII of the Act;
- ✓ Make certain that the activities included in Corporate Social Responsibility Policy of the company are undertaken by the company;
- ✓ Ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three preceding financial years, in pursuance of this policy;
- ✓ If the company fails to spend such amount, then it will disclose the reasons for not spending the amount in its annual report mentioned above.
- ✓ The Board's Report issued under clause (o) of sub-section (3) of section 134 shall include an annual report on CSR containing particulars specified in Annexure to the CSR Rules;

CSR Committee of the Board of Directors:

- ✓ Develop CSR Policy for the company and recommend the same for the approval of the Board of Directors;
- ✓ Develop and approve an annual CSR Action Plan;
- ✓ Recommend the Budget to the Board of Directors for approval, in pursuance of the Act;
- ✓ Create transparent monitoring mechanisms for implementation of CSR initiatives;
- ✓ Submit reports to the Board in respect of CSR initiatives undertaken by the Company
- ✓ Monitor the CSR Policy from time to time and recommend for the amendments in the Policy, when required;
- ✓ Accord approval for undertaking CSR activities in partnership/collaboration with other companies/institutions/NGOs etc.

8. CSR planning and processes

a. Annual CSR plan

As per section 135 of the Companies Act, we will develop a list of CSR programs/projects/ activities to be undertaken during the year. The CSR Committee shall send the list of CSR programs/projects/ activities with its recommendations to the Board of Directors of the Company for approval.

b. Budget

The expenditure on CSR activities will be incurred with an aim to CSR Commitments. The total amount to be spent on CSR activities shall be 2% (two percent) of the average net profits of three immediately preceding financial years as calculated in terms of the CSR Rules, however, any shortfall pertaining to any financial year shall not be carried forward to the next financial year.

The amount of CSR Commitment as above shall include 5% (five percent) amount on account of administrative, personnel and other costs to achieve CSR activities.

c. Implementation and monitoring

The CSR Committee will undertake execution of the selected projects either directly or in alliance with NGOs through the Managing Director & the Executive Director of the Company, who will be authorized to look into the application of budget and expenditure. The following may be considered in finalizing the modalities of project execution:

- The Company may establish a legal entity registered as a Trust, Society or Company to manage the CSR programmes.
- The CSR Committee may decide to engage NGOs for implementation of identified CSR programs/projects/activities. The Company must ensure that such implementing partner has an established three year track record in undertaking similar CSR projects.
- The Company may enter into a Memorandum of Understanding (MoU) with the identified implementing partner(s), the MoU may address the terms of the funding and disbursement.

The CSR Committee may establish a transparent monitoring mechanism for implementation of the CSR activities or programs undertaken by the Company. It may undertake half yearly / yearly review of the action plan and progress report, which may cover the following:

- ✓ Progress of each program vis-à-vis the timeline and budget
- ✓ Beneficiaries covered
- ✓ Performance of the external partners
- ✓ Problems encountered and solutions, if implemented
- ✓ Estimated amount that will be spent till the end of the year

The CSR committee will review the progress with regard to implementation and results of CSR initiatives. The Board shall take a final review and accordingly pass advisories.

9. Annual CSR report

IPP will develop and publish an annual report on CSR containing required particulars specified in the prescribed format for the annual report in the Companies Act 2013. Reporting will constitute an integral part of our CSR initiative as we remain committed to be transparent and accountable to our stakeholders. CSR policy will be displayed on the Company's website.

10. Review and Amendments to the Policy

The CSR Policy may be amended by the CSR Committee, as and when required, only with the approval of the Board of the Company.